

April 19, 2013

To: Executive Board

Subject: **Management Services Contract Expiration**

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## **Recommendation**

Appoint a subcommittee to work with the General Counsel to make recommendations to the Executive Board concerning management services for Foothill Transit.

## **Analysis**

The term of the existing Management Services Agreement ("MSA") between Foothill Transit ("Foothill") and Veolia Transportation Services, Inc. ("Veolia") will expire on June 30, 2014. Accordingly, it is appropriate to begin to consider the issues related to assuring continuing management services for Foothill.

California conflict of interest laws prohibit the regular Foothill staff, all of whom are employees of Veolia, and many of whom are officials of Foothill, from making, participating in the making, or using their official positions with Foothill to influence the negotiation of a contract extension with Veolia.

It has been the Executive Board's past practice to appoint a subcommittee of two of its members to work with General Counsel (who does not work for Veolia) on the issues related to assuring continuing management services for Foothill. Alternatively, the Executive Board could choose to defer action until a later date or to appoint a subcommittee to work with other individuals outside of Veolia to address those issues.

## **Budget Impact**

Foothill Transit's approved FY 2012/13 budget and proposed FY 2013/14 budget include sufficient funding for legal services.

Sincerely,



Darold Pieper  
General Counsel